VZCZCXRO2610 OO RUEHFK RUEHKSO RUEHNAG RUEHNH DE RUEHKO #4212/01 2081000 ZNR UUUUU ZZH O 271000Z JUL 06 FM AMEMBASSY TOKYO TO RUEHRC/DEPT OF AGRICULTURE WASHINGTON DC IMMEDIATE RUEHC/SECSTATE WASHDC IMMEDIATE 4754 INFO RUEHBK/AMEMBASSY BANGKOK 3756 RUEHEG/AMEMBASSY CAIRO 0181 RUEHHI/AMEMBASSY HANOI 0935 RUEHKL/AMEMBASSY KUALA LUMPUR 1706 RUEHME/AMEMBASSY MEXICO 0423 RUEHOT/AMEMBASSY OTTAWA 9506 RUEHSJ/AMEMBASSY SAN JOSE 0123 RUEHUL/AMEMBASSY SEOUL 9631 RUEHGP/AMEMBASSY SINGAPORE 6710 RUEHFK/AMCONSUL FUKUOKA 7404 RUEHHK/AMCONSUL HONG KONG 6041 RUEHNAG/AMCONSUL NAGOYA 7255 RUEHNH/AMCONSUL NAHA 9987 RUEHOK/AMCONSUL OSAKA KOBE 0710 RUEHKSO/AMCONSUL SAPPORO 8528 RUEHIN/AIT TAIPEI 6064

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SIPDIS

SENSITIVE SIPDIS

STATE PASS USTR FOR AUSTR CUTLER

USTR ALSO FOR MBEEMAN AND RMEYERS

USDA FOR OSEC PENN AND TERPSTRA, FAS FOR KROBERTS, DLP/WETZEL

E.O. 12958: N/A

TAGS: ECON EAGR ETRD PREL PGOV JA

SUBJECT: JAPAN LIFTS SUSPENSION OF U.S. BEEF IMPORTS

11. (U) Summary: The Government of Japan announced July 27 that the suspension of processing of imports of U.S. beef has been lifted. The GOJ imposed the suspension January 20 following the discovery by Japanese inspectors of prohibited spinal bones in a shipment of veal from the United States. The Japanese acknowledged that 34 U.S. plants will be allowed to begin slaughtering and processing cattle into beef for export to Japan as of July 27. Japan's Health Minister, however, indicated that any incident involving the inclusion of prohibited "specified risk materials" in a shipment of imported U.S. beef would lead to the suspension of all beef imports from the United States. End summary.

Press Conference

- 12. (U) In a packed press conference at 1:30 p.m. Tokyo time July 27, Health Minister Jiro Kawasaki, accompanied by Agriculture Vice Minister Mitsuhiro Miyakoshi, announced the Japanese Government's decision to lift the suspension of imports of U.S. beef. Kawasaki stated that 34 U.S. plants would be approved by the USG to resume exports of beef to Japan. One plant, out of the 35 previously approved, however, would not receive export permission from U.S. authorities until after an additional audit of that facility had been completed.
- ¶3. (U) During the questioning by reporters, Health Minister Kawasaki was asked what responses the GOJ would take in response to future violations of the agreement between the United States and Japan on beef trade. Kawasaki said that the GOJ response would depend on the individual case. Answering a follow-up question regarding the GOJ response to an incident like that which occurred on January 20, Kawasaki replied that the GOJ would impose a complete suspension of beef imports from the United States if the shipment in question contained "specified risk materials" (SRM). (Note: The

spinal bones found in the January 20 veal shipment were prohibited under the USG agreement with Japan on beef imports but were not actually scientifically defined SRMs. End note.)

14. (U) Kawasaki and Miyakoshi left the press conference after approximately 20 minutes, after which Health Ministry Inspection and Health Division Director Eiji Michino and Agriculture Ministry International Animal Health Director Toshiro Kawashima took reporters questions for an additional 45 minutes. During the exchange with reporters, Michino reaffirmed the GOJ's position to reimpose a total ban on U.S. beef imports in the event of a shipment containing SRMs. The Agriculture Ministry's Kawashima also confirmed that the "kill date" for beef exported to Japan (i.e., the date from which cattle for export may be slaughtered and processed) would be July 27.

Official Notification of End of Suspension

15. (SBU) At 5:30 p.m. Tokyo time, Embassy Ag Mincouns Berman met with Agriculture Food Safety and Consumer Affairs Director General Hiroshi Nakagawa and Health Ministry Food Safety Director General Yoshiyuki Matsumoto. Nakagawa and Matsumoto passed Berman a letter in Japanese formally notifying the USG of the lifting of the GOJ's suspension of U.S. beef imports. They also stressed repeatedly that the USG "must not let this (i.e., a violation of the beef import agreement) happen again." In addition, the Japanese officials cautioned that the U.S. plants approved for export must not export any beef from cattle processed (i.e., slaughtered) prior to July 27. Finally, they highlighted two points in the letter passed to Berman referring to requests made to the USG at the time of the initial December 2005 lifting of the ban on U.S. beef imports: first, that

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the USG not scale back its BSE surveillance program and, second, that the USG close alleged loopholes in its feed ban that might allow for BSE contamination of U.S. cattle.

Schieffer